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SUBJECT: 2010 NTE ON THE ARAB LEAGUE BOYCOTT - ALGERIA

**REF: STATE 118797** 

Summary

11. Algeria does not enforce the Arab League Boycott against Israel and purchases some Israeli goods via intermediaries. American firms operating in Algeria report no GOA inquiries related to the boycott. End Summary.

Boycott Not Applied

- 12. Algerian law contains no specific codifications or references to the Arab League boycott, and post knows of no GOA public statements on the issue. While the primary boycott is informally recognized by virtue of Algeria's membership in the Arab League, there is no GOA treaty, convention, or legislation mandating conformity with, or participation in, the boycott.
- 13. There is no evidence that the GOA enforces the primary aspect of the boycott. Algerian firms can and do readily acquire Israeli products that have been stripped of Israeli markings from intermediaries in Cyprus, Greece, Turkey, or elsewhere. (Note: These tend to be specialized goods such as irrigation and desalination equipment and parts. End Note) There is no office in Algeria to facilitate such indirect trade with Israel.
- 14. There have been calls during each of the U.S. conflicts with Iraq, primarily from the Algerian business community, to observe the boycott. (Comment: These calls only came in during the first few weeks of these conflicts and not, paradoxically, during recent Israeli incursions into Gaza). However, these appeals stemmed more from a protectionist fear of being undersold by Israeli-origin goods than political or religious principle. There have been no such appeals in the last year. In addition, there is no evidence of GOA adherence to the secondary/tertiary aspects of the boycott. For example, GOA and Algerian firms do business with Microsoft, Citibank, Northrop Grumman, and Proctor & Gamble, all of which do business here as well as in Israel. Additionally, the American-Israeli Cooperative Enterprise (a private NGO) categorically states that Algeria does not enforce the secondary boycott as of September 2007.
- 15. Algeria does not maintain a boycott office. There was once a joint boycott enforcement commission made up of staff from the ministries of foreign affairs and commerce that met periodically. However, the commission appears to have become defunct. Since 2006, contacts at the Ministry of Foreign Affairs have not been able to recall the last time the commission met and have denied any MFA role in boycott enforcement.

Trade with Israel

¶6. Numerous American firms that operate in Algeria have operations in Israel, and we have no record of U.S. firms facing boycott-related obstacles. However, in 2007, some companies complained to us that U.S. citizens with Israeli stamps in their passports have faced delays in receiving Algerian visas.

Arab Boycott Meetings

 $\underline{\ }$ 7. Post has been unable to determine whether Algeria has attended recent Arab League Boycott meetings.